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Held at Headquarters, New York, on Tuesday, 29 June 2004, at 3 p.m.

President:	Mr. Penjo (Vice-President)	(Bhutan)
later:	Ms. Rasi (President)	(Finland)
later:	Mr. Penjo (Vice-President)	(Bhutan)

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In the absence of Ms. Rasi (Finland), Mr. Penjo (Bhutan), took the Chair.

The meeting was called to order at 3.10 p.m.

Resources mobilization and enabling environment for poverty eradication in the context of the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010 (*continued*) (A/58/722-E/2004/13, E/2004/33, E/2004/54, E/2004/75 (chap. I), E/2004/84 and E/2004/NGO/1-22)

1. **Mr. Widhya** (Observer for Cambodia) said that during the previous decade, after 24 years of war, genocide and international isolation, his Government had managed to sustain macroeconomic stability. During the period 1999-2003, the Cambodian economy had grown at an annual average rate of 6.7 per cent; the exchange rate had remained stable; inflation had been kept at 1.57 per cent and the level of international reserves had almost doubled. Poverty had decreased, from 39 to 36 per cent between 1994 and 1999, mainly owing to an annual population growth rate of 2 to 3 per cent. If those trends continued, the incidence of poverty would decline to 28 per cent by 2015, well below the goal set in the Programme of Action for the Least Developed Countries for the Decade 2001-2010 adopted in Brussels.

2. His Government had therefore focused its domestic policy on poverty reduction, developed its first national poverty reduction strategy and carried out reforms in several areas. Its development priorities included good governance, agriculture, the private sector, employment, infrastructure and human resources.

3. Development partners must help the least developed countries to attain the Millennium Development Goals, create an enabling environment for national development and greater political stability and promote human and institutional capacity-building. They must make financial resources and technologies available. They should remain firm in their commitment to increase official development assistance (ODA) to the least developed countries to between 0.15 and 0.2 per cent of their gross national product (GNP) by 2006 and improve market access by removing tariffs and non-tariffs barriers, in particular for agricultural goods.

4. Poverty eradication required comprehensive and holistic solutions. Since peace, stability and prosperity were increasingly interrelated, the international community must join the efforts of the Economic and Social Council to combat the surge of violence, extremism and terrorism.

5. **Mr. Mohammed** (Nigeria) said that primary responsibility for the implementation of the Brussels Programme of Action lay with the least developed countries. His Government had developed practical economic strategies to reduce poverty and meet the Nigerian people's basic needs, including the National Economic Empowerment and Development Strategy (NEEDS), involving human resource development in rural communities and including training, skills development and youth empowerment schemes. The National Agricultural, Cooperative and Rural Development Bank was enhancing access to land and extending microcredit at concessional rates to rural communities. His Government's poverty alleviation programme coordinated the activities of all federal ministries and agencies and other relevant organizations nationwide and identified areas where intervention might be required.

6. The African nations' enthusiasm for the New Partnership for Africa's Development (NEPAD) showed their commitment to assuming responsibility for their future through good governance, democracy, economic liberalization and transparency. The persistence of poverty in the least developed countries was due to the steady decline of foreign direct investment; limited access of developing countries' products to outside markets; the crushing debt burden; the shrinking of official development assistance; and the economic impact of AIDS. The least developed countries should assume responsibility for matters within their control, such as good governance, the equitable distribution of national resources and transparency in the use of public funds. But the scope of the challenges facing African and other countries in the developing world required genuine partnership between the least developed countries and affluent nations.

7. The least developed countries must intensify efforts to implement reforms in the following areas: tax collection; public administration; creation of an enabling environment for savings and investment; establishment of efficient financial institutions and instruments, including microcredits and microfinancing

schemes. External resource mobilization was also vitally important. Capital flows to the least developed countries both in the short and long term should be stable and predictable. More countries should meet their commitment under the Brussels Programme of Action to allocate 0.2 per cent of GNP to official development assistance.

8. The international community must recognize the special needs for reconstruction, rehabilitation and reconciliation of post-conflict least developed countries. The Ad Hoc Advisory Group on Guinea-Bissau should continue its work until the presidential elections in 2005, and the Ad Hoc Advisory Group on Burundi should remain until the elections scheduled for November 2004. That arrangement would help to nurture, strengthen and consolidate the infrastructure of peace in Guinea-Bissau and Burundi.

9. **Mr. Ahmed** (United Kingdom) said that developed and developing countries must work together to meet challenges in the areas of health, hunger and poverty, particularly for the least developed countries. Developing countries should strengthen efforts to assume ownership of their own development, improve the efficiency and transparency of public policies and create an environment for foreign investment and a flourishing private sector. NEPAD was an important step in that direction. The developed countries must show greater commitment and political will to eliminate trade-distorting agricultural subsidies, accelerate progress on debt and provide more effective official development assistance in countries that had demonstrated a commitment to poverty reduction and good governance.

10. There had been an increase in ODA levels since the International Conference on Financing for Development, held at Monterrey. The United Kingdom, for its part, had doubled such assistance since 1997 and announced a 50 per cent increase over four years in its core funding for the United Nations Development Programme. But more money for the financing of development was urgently needed. His delegation had therefore proposed the establishment of the International Finance Facility to provide money immediately against pledges of increased aid resources further down the road. His delegation had been working through the Group of Eight to extend the deadline for the HIPC Initiative by two years to enable more heavily indebted poor countries to benefit from much needed debt relief.

11. Increased aid was no substitute for more open trade. The Doha Development Round should be put back on course during the July 2004 Council meetings in Geneva. The international community must also strengthen the capacity of countries to absorb assistance and align its policies with national poverty reduction and development strategies.

12. The Council should have a key role in ensuring coherence and coordinating United Nations economic and social activity. It should be reinvigorated to achieve stronger, more coordinated United Nations development efforts. The efforts of the Secretary-General's High-level Panel on Financing for Development could also strengthen the organization's response to international economic and social challenges. New thinking could be stimulated by the Triennial Comprehensive Policy Review of Operational Activities for Development of the United Nations System (TCPR).

13. **Mr. Chappatte** (Observer for Switzerland) said that his Government gave priority in its international assistance programmes to the least developed countries and devoted 0.15 per cent of its GNP to them.

14. More than a third of the African least developed countries were involved in conflicts, which affected entire subregions and neighbouring countries' development efforts. Some of the causes of those conflicts were closely related to the lack of economic and social development. Every effort should therefore be made to establish security situations favourable to such development through reform of the security sector, establishment of the rule of law and a fair justice system, and respect for human rights. Development partners — in particular the United Nations system, international financial institutions and bilateral donors — must cooperate closely to ensure that resource mobilization was integrated with support for peace and stability.

15. The least developed countries' access to the markets of developed economies and countries in their own region remained a fundamental concern. Developed countries must establish procedures for dismantling tariffs and gradually abolish subsidies that distorted the market, while the Generalized System of Preferences should be made more effective, more binding and simpler.

16. The specific needs of the least developed countries should be considered, and they themselves

should have a say in which products they considered most sensitive. Special safeguard mechanisms should be established and least developed countries should be granted greater flexibility in implementing various World Trade Organization (WTO) agreements in accordance with their institutional capacities. Regional trade integration of the least developed countries was also a priority. The more advanced developing countries should facilitate access of weaker countries' products to their markets and strengthen South-South trade.

17. The debt burden of the least developed countries must be reduced in a sustainable manner. His Government supported the Heavily Indebted Poor Countries (HIPC) Initiative and welcomed its extension. A new strategy to stabilize the volume of debt in the long term and to prevent countries from bearing unsustainable debt was also required. The borrowing capacity of each least developed country should determine its concessionality level. Their institutions should also be strengthened, particularly with regard to debt management, medium-term budgets and a widening of the tax base. There was also an increasing need for both direct and indirect taxes, especially as the integration of the least developed countries in the world trade system would eventually lead to lower customs revenues.

18. **Mr. Gouveia** (Mozambique) said that, by stimulating people-centred economic growth, his Government had achieved an average GDP growth of more than 7 per cent, low inflation and increased exports, investments and ODA flows. Absolute poverty had dropped from about 69 per cent in 1996-1997 to around 54 per cent in 2003-2004.

19. The Government's nationally owned poverty eradication strategy focused on education, health and vital economic sectors such as agriculture, fishing and the extraction of minerals and related industries, as well as promotion of peace and stability. Private sector intervention, particularly through foreign direct investment, had also been critical in enhancing national productive capacity and international investment.

20. Despite significant progress, however, like other least developed countries, Mozambique continued to experience problems such as acute cyclical food shortages. Despite food production surpluses in some parts of the country, it was sometimes quite difficult to move those surpluses to the areas in need because of inadequate transport and commercial networks.

21. The least developed countries suffered from their reliance on commodities and remained exposed to fluctuations in world prices for them. Therefore, the biggest challenge was adding value to commodities. Investment in manufacturing industries based on commodities produced in the country would increase the competitiveness of least developed countries in world markets and increase domestic revenues.

22. However, the biggest challenge remained the creation of effective productive capacity. Measures such as the African Growth and Opportunity Act and Everything but Arms initiatives had not benefited many least developed countries because of their low productive capacity. Greater investment in that area was therefore needed.

23. The least developed countries had assumed their share of responsibility in the area of democratization and adoption of sound political and macroeconomic policies to meet the goals set by the Brussels Programme of Action. It was high time for development partners to assume their share, through increased and stable ODA and foreign direct investment flows.

24. **Mr. Chicoti** (Observer for Angola) said that resource mobilization and poverty eradication were a major challenge for Angola, where a long, devastating war had destroyed most of the important infrastructures. His Government's priorities for the current decade were to increase agricultural and industrial productivity and to invest in the social sector, including the reintegration of displaced persons and demobilized soldiers. Angola was committed to achieving macroeconomic stabilization by strengthening its private sector, fostering foreign direct investment, creating optimum conditions for trade and ensuring good governance, transparency and accountability in managing the revenue from oil exports.

25. In cooperation with its developed partners and multilateral organizations, his Government planned to organize an international donor conference to mobilize resources for the nation's economic rehabilitation and reconstruction. Developed countries should honour their commitments, particularly those relating to increased ODA and investment flows, debt cancellation and free market access; he commended Denmark,

Ireland, Luxembourg, the Netherlands, Norway and Sweden for allocating 0.2 per cent of their GNP to ODA to least developed countries.

26. Lastly, developed partners should allow the least developed countries to participate in the multilateral trade system and should foster their integration into the world economy.

27. **Mr. Moreno** (Cuba) said that the industrialized countries should fulfil their commitment to allocating 0.15 per cent to 0.2 per cent of GNP to least developed countries and should eliminate the accompanying political conditions that threatened those countries' ability to take sovereign decisions. The manner in which the least developed countries were integrated into the world economy, and especially the multilateral trading system, must be substantially transformed and lasting solutions to their external debt situation must be sought; the HIPC Initiative had achieved few results.

28. The least developed countries needed to become less dependent on exports of primary products, which had been losing value dramatically and systematically on international markets. It was also necessary to reverse the trend towards loss of markets and falling exchange rates as a result of high poverty levels and scarcity of trained personnel in those countries and to substantially improve initiatives for giving them preferential market access.

29. It was important to cooperate with international institutions in research that would help the least developed countries to understand the structure of supply chains and to identify the stages at which added value was generated and would assess their potential to participate in those chains and to implement national policies that would increase the income derived from added value incorporated into their final products. South-South cooperation should complement North-South cooperation rather than replacing it.

30. However, the greatest need was for solidarity; a reduction of consumerism in the industrialized countries would generate more than enough resources to resolve many of the most pressing problems faced not only by the least developed countries, but by the Third World as a whole.

31. *Ms. Rasi (Finland), President, took the Chair.*

32. **Mr. Frangialli** (World Tourism Organization) said that tourism was one of the rare areas in which developing countries and countries with economies in transition enjoyed a surplus in their trade balance with Organization for Economic Cooperation and Development (OECD) countries. Tourism created a demand for large numbers of employed and self-employed workers, including women, young people and members of indigenous communities; led to the establishment of many small, often family-run, enterprises; created market opportunities in the supply chain; and opened market economies to foreign trade. Tourism foreign exchange earnings represented a substantial contribution to the balance of payments, financed imports, reduced foreign debt and minimized dependence on a single export system, usually a raw material of low value and subject to international price fluctuations.

33. Tourism receipts in the least developed countries had more than doubled in the 1990s and had become the main source of foreign exchange revenues in all but three of them. Tourism accounted for more than one sixth of non-petroleum exports, far surpassing textiles and raw cotton, and had enabled Botswana and the Maldives to qualify for graduation from the list of least developed countries.

34. The formidable obstacles to tourism development which least developed countries faced in the areas of air access, infrastructure, communications, training facilities and health conditions could be overcome if tourism was given clear priority in national development strategies. The main problems in economies which were insufficiently diversified and subject to dominance effects were induced imports and excessive repatriation of profits. In poor rural areas where farming was often in decline, tourism, and especially ecotourism, could provide an alternative source of employment and prevent emigration to large cities or abroad.

35. He therefore recommended that the Council should ensure that assistance policies were guided by the conclusions of the Brussels Programme of Action and that the agreements concluded between the World Tourism Organization and major financial institutions, including the World Bank and the Inter-American Development Bank, were included in the body of commitments which the international community had made and must respect.

36. The liberalization of tourism services had not been accorded its rightful place in trade negotiations. While included in the General Agreement on Trade in

Services (GATS), it suffered from the absence of a clear statistical identification and of an adequate methodological approach; moreover, the GATS had not yet proved to be an operative instrument for the tourism sector because it had no specific annex on that subject. The fact that, 10 years after the signing of the Marrakesh Agreement, no tourism-related dispute had been brought before the dispute settlement body of WTO was proof that there was no effective tool for achieving significant liberalization, in the spirit of the Doha Development Round, aimed at benefiting the tourism industries of the least developed countries.

37. The World Tourism Organization was committed to promoting fair, responsible tourism development and, to that end, had implemented a specific programme focusing on tourism destinations in sub-Saharan Africa, where most of the least developed countries were located. By launching with the United Nations Conference on Trade and Development (UNCTAD) a joint initiative, Sustainable Tourism-Eliminating Poverty (ST-EP), it hoped to harness tourism's potential as a driving force for poverty alleviation; he invited States to support the foundation established under that initiative.

38. **Mr. Wolski** (Poland) said that he shared the Secretary-General's conclusion that it was essential to intensify national efforts to attain the Millennium Development Goals and to further enhance multilateral endeavours in the spirit of international solidarity. In that connection, he expressed his full support for the international community's efforts to mobilize resources with a view to reducing poverty in the least developed countries.

39. The search for new poverty reduction instruments must be pursued. One of the most successful tools employed by Poland to reduce its enormous external debt had been the debt-for-environment swap, which had released resources for investments in environmental protection while alleviating external debt. Such a mechanism could be beneficial for the least developed countries.

40. Economic growth and accelerated development in the least developed countries were largely dependent on those countries' participation in the international trading system. Consequently, trade liberalization, regional integration and sectoral reform must not run counter to their long-term development needs. Those countries' integration into the world economy should be accompanied by the consolidation of democracy and the rule of law. Good governance, solid institutions and respect for human rights and fundamental freedoms, including the empowerment of women, were all necessary in that regard. Furthermore, in view of its serious concerns about the implications for global development of the situation in failing States, Poland took the view that a global strategy to deal with those States was required.

41. As an emerging donor, Poland was aiming to increase the level of its development cooperation to 0.1 per cent of its gross domestic product (GDP) by 2006. Increasing the effectiveness of development cooperation entailed responding to the needs of partner countries, simplifying and harmonizing operational procedures and better coordinating activities. To that end, and within the framework of the European Union, Poland had participated in the implementation of a harmonization agenda for poverty reduction. Since it took the view that education was a basic requirement for development, Poland was focusing its attention on technical assistance and human resources development. It also stood ready to share its experiences of the transition to democracy and a market economy.

42. It was important to begin considering a new generation of policies and programmes that would reach beyond 2015 and focus on the future impact of demographic changes, since long-term forecasts indicated that the population of the least developed countries would continue to rise rapidly. In order to mitigate the negative effects of tensions arising from globalization and demographic transition, the international community must focus not only on economic growth but also on resolving issues relating to health, education, employment and ageing at the national, regional and international levels.

43. **Mr. Sesay** (Observer for Sierra Leone) said that past declarations and ambitious plans had failed to eradicate poverty or improve living conditions in the least developed countries. It was no wonder that the list of such countries continued to expand and that graduation to middle-income status was almost negligible; the attention to their development had been high on rhetoric but dismally low on implementation and the Brussels Programme of Action was not on the agenda of some United Nations agencies, despite claims that it had been mainstreamed into their work programmes. He fervently hoped that the conclusions of the high-level segment would be translated into

concrete action and that a partnership framework for the implementation of those conclusions would be developed.

44. Like many developing countries, Sierra Leone had benefited little from globalization. After 10 years of civil war, it was struggling to restore basic social services; over 70 per cent of its population was living on US$ 8 a day. School enrolment was below average for the least developed countries, access to information and technology was very limited and the mortality rate was among the highest on the planet. The nation's agriculture and mining sectors were underdeveloped and its per capita productivity was one of the lowest in the world. Yet no one could deny its long-term viability; with the help of its development partners, it was working to harness its rich human and natural resources and to relaunch its economy. His Government was implementing an interim poverty reduction strategy paper (IPRSP) and a national recovery strategy programme and hoped to have a draft of the full poverty reduction strategy paper (PRSP) ready by the end of July 2004.

45. His Government realized that its development policy hinged on reducing dependency on external funding. In an effort to boost domestic revenue, it had established a national Revenue Authority; however, it was still far from able to fund its recovery and development programmes and, in the medium term, would rely on the good will of its development partners to mobilize the necessary resources for its "pro-poor" programmes. External budgetary support, which had stood at 85 per cent at the start of the war, remained at a staggering 64 per cent.

46. The Government was committed to targeting new grants and contractual concessional loans and had had some success in attracting ODA, especially for its recovery agenda, but it still needed to attract foreign direct investment (FDI). To that end, it was creating an enabling environment for potential investors who could create jobs for a young, but currently idle, population that needed to be engaged, if only to prevent a recurrence of the nation's recent history. The Government was also encouraging private-sector-led development of the economy and was establishing community banks and branches of commercial banks in rural areas. A national microfinance policy based on best practices had been developed to promote resource mobilization in the informal financial sector.

47. Lastly, the Government and people of Sierra Leone were grateful for the bilateral and multilateral assistance received from the country's development partners and hoped that they would not weary of the constant requests during the period of national reconstruction.

48. **Mr. Kloke-Lesch** (Germany) said that the least developed countries were important partners in Germany's development cooperation policy. In that connection, and within the framework of the commitment made by the European Union, the German Government's objective was to increase the ratio of ODA to GNP to 0.33 per cent by 2006.

49. In view of the recently expressed doubts regarding the least developed countries' ability to achieve the objectives of the Brussels Programme of Action, the international community faced a number of challenges. First, there was a need to further enhance an enabling environment for sustainable development through, inter alia, the promotion of good governance, democracy and economic reform. In that connection, Germany attached particular importance to sustainable regional and national peace and security perspectives, especially in sub-Saharan Africa.

50. Secondly, it had become clear that the least developed countries were facing major challenges with regard to the creation of productive capacities. The German Government was providing assistance to those countries through the promotion of development strategies for labour-intensive and agro-based small and medium-sized enterprises.

51. In view of the need to create new sources of funding for the Millennium Development Goals, the international community must mobilize sufficient political will to actually implement those new strategies. Furthermore, rising oil import bills meant that the least developed countries were finding it increasingly difficult to unlock existing potential for economic growth and poverty reduction. In that regard, the International Action Programme adopted at the International Conference for Renewable Energies outlined concrete steps for investment in modern sources of renewable energy.

52. Thirdly, the German Government was helping the least developed countries achieve debt sustainability by cancelling all eligible trade debts for the heavily indebted poor countries and all debts arising from financial cooperation for those countries and the least

developed countries. In addition, at the national and European levels, Germany also contributed a significant proportion of the costs involved in the debt cancellation process. Nevertheless, the structural causes of indebtedness still remained, and a number of least developed countries that had benefited from debt relief measures had once again accumulated external debt or fallen into arrears. For that reason, the German Government supported the recent World Bank/International Monetary Fund initiative to develop a framework of rules to protect low-income countries from incurring high levels of debt and to foster debt sustainability.

53. Lastly, following the setbacks at the WTO Ministerial Conference in Cancún, it was in the interest of the global economy to resume world trade negotiations as soon as possible. However, if such negotiations were to be successful, all sides would need to compromise in order to take account of widely diverging interests and the strengths of the developing countries in the area of foreign trade. The German Government was continuing to campaign for the global economic regime to be framed in such a way as to enable the developing countries, in particular the least developed countries, to make better use of their opportunities. In that connection, there was a need to phase out agricultural export subsidies, eliminate trade-distorting domestic support and improve market access for the developing countries.

54. **Mr. Oratmangun** (Indonesia) said that, while he welcomed the progress made in the implementation of the Brussels Programme of Action, it seemed unlikely that most of the least developed countries would achieve its objectives, in particular the overarching objectives of poverty and hunger eradication, or the Millennium Development Goals by 2015. Therefore, the outcome of the current meeting should contribute meaningfully to the creation of an enabling environment for the least developed countries at both the domestic and international levels.

55. The international community must continue to spare no efforts to address important issues affecting developing countries as a whole, namely, trade, ODA and external debt, which were crucial to the successful eradication of poverty and hunger and the achievement of economic growth and sustainable development. In that connection, a comprehensive strategy for financing for development for the least developed countries was needed and the partnership framework set out in the Brussels Programme of Action must be honoured.

56. As far as trade was concerned, many least developed countries were facing volatile commodity export revenues on account of excessively unstable primary commodity prices. Reforming the global trading system was critical in order to ensure that commodities from developing countries, including the least developed countries, had freer and more predictable access to developed markets. Likewise, export diversification was increasingly important for the least developed countries if they were to enhance export revenues and financial resources. In sum, a universal, rule-based, open, non-discriminatory and equitable multilateral trading system and meaningful trade liberalization were needed, and it was also imperative to place the needs and interests of developing countries at the heart of the Doha Work Programme and to increase commitment to its implementation.

57. Official development assistance was still a major source of external financing for the least developed countries, since they were unable to attract private and foreign direct investment. While increased levels of ODA had been made available over the last three years, total net official flows had declined and additional disbursements had been concentrated in only a few countries. To remedy the situation, aid delivery mechanisms, including institutional capacity-building for aid management, must be reformed by means of greater policy coherence and coordination at all levels. In addition, credible and predictable medium- and long-term ODA commitments to recipient countries were indispensable.

58. With regard to external debt, development partners should give priority to debt relief and grant elements of ODA. If increased revenues from international trade did not go hand in hand with meaningful relief from debt, the least developed countries would continue to stagnate economically.

59. Indonesia supported the efforts of the Council to assist countries emerging from conflict. In addition, South-South cooperation could contribute positively to the creation of an enabling international environment, since developing countries could work together in solidarity to safeguard and pursue their common development interests by sharing lessons learned and best practices employed in the developing South. In

that connection, the third round of negotiations on the Global System of Trade Preferences, launched during the eleventh session of the United Nations Conference on Trade and Development, was particularly significant.

60. In 2005, Indonesia would be holding the Golden Jubilee Summit of the 1955 Asia-Africa Conference, during which a new Strategic Partnership between Asia and Africa would be launched. That partnership would not only further invigorate South-South cooperation but was also expected to contribute to the development of least developed countries in the relevant regions.

61. **Mr. Ould Meimou** (Observer for Mauritania) endorsed the statement made by the representative of Benin. Recent initiatives undertaken by the international community in order to reduce debt, achieve sustainable human development and good governance and eradicate poverty demonstrated the urgent need to tailor solutions to the specific challenges facing the least developed countries in key areas such as economic competitiveness, access to global markets, the environment and human resources.

62. Development was primarily dependent on States' political will to pursue democracy and ensure respect for fundamental freedoms, in particular the freedoms of expression and association. To that end, in 1993, Mauritania had adopted a pluralistic Constitution which guaranteed the rule of law in a peaceful and stable climate.

63. In 2001, the Government of Mauritania, in collaboration with the private sector, civil society institutions and development partners, had adopted its first Strategic Framework for Poverty Reduction. Since the effectiveness of public policies was largely dependent on establishing new partnerships between the State and other relevant actors, the Government of Mauritania had implemented a strategy for promoting and building the capacity of civil society. That strategy was based on four mutually reinforcing pillars: dialogue between the State and civil society and the involvement of civil society organizations in the institutional mechanisms and procedures for formulating, programming and monitoring public policies; enhancement of the legal and institutional framework; development of alternative perspectives and integration of the views of civil society into development policies and programmes; and institutional and technical capacity-building for civil society. In close collaboration with its development partners, including the United Nations Development Programme, Mauritania had developed a number of specific programmes in key areas such as strengthening the rule of law, reforming the justice system, decentralization and efficient public spending.

64. **Mr. Leslie** (Belize), speaking on behalf of the 13 member States of the Caribbean Community (CARICOM) that were Members of the United Nations, regretted that, despite the tremendous efforts made by the least developed countries to implement ambitious economic reforms, poverty and hunger were all-pervasive in most of those countries. In addition, those dependent on a small number of primary commodity exports were experiencing an increase in extreme poverty levels, which only served to confirm that globalization was reinforcing the vicious circle of poverty rather than reducing it.

65. It was disconcerting that those downward trends were continuing in spite of the upswing in the world economy, but at the same time poverty eradication required more than economic growth alone. The Human Development Report 2003 told the real story of globalization, stating that living standards in almost one third of the developing countries had deteriorated to a point where one in three children died before reaching the age of five. Many analysts believed that, given the existing gaps between those who had plenty and those who had nothing, it would take about 120 years for many poor countries to attain universal primary education, 140 years to cut extreme poverty by half and 200 years to obtain sanitation for all.

66. Consequently, there was a need for strong political leadership, commitment and increased financial resources. The linkages between the Brussels Programme of Action, the Millennium Development Goals and NEPAD should be strongly emphasized and the synergies between them fully addressed. A number of steps were urgently required in order to mobilize resources and facilitate an enabling environment, including the expansion of debt relief to the heavily indebted poor countries and the development of safeguards for those countries to ensure that their debts did not return to unsustainable levels. Donor countries that had not honoured their 0.7 per cent GDP commitments must do so and, in the area of trade, members of the Organization for Economic Cooperation and Development (OECD) should act

transparently and ensure that all trading partners were treated equally.

67. The current situation and the widening gap between developing and developed countries did not augur well for the future. In order to make progress, all partners must display enhanced moral sensitivities, since the successful eradication of poverty would require justice and fairness and an awareness that all peoples shared a common destiny.

68. **Mr. Wang** Guangya (China) said that his delegation was concerned that in some LDCs the growth rate was lower than half the target set in the Brussels Programme of Action, while in others it had declined. LDCs had to contend with the twin challenges of serious lack of investment and insufficient skilled human resources. They had increasingly been burdened by heavy debt and worsening trade terms, and ODA had decreased. The combination of internal and external factors had seriously hampered their economic and social development, and the outlook in terms of financing and mobilization of resources was not very bright.

69. LDCs had formulated strategies and policies with a view to reaching the targets of the Brussels Programme of Action; they had worked hard and achieved some results. Nevertheless, they could not be expected to realize those goals without the support of the international community, which was urged to increase ODA. Other factors that would also assist those countries were: debt relief, especially in highly indebted poor countries; expanded investment; preferential trade terms; and better market access.

70. The Chinese Government had been a staunch supporter of the LDCs in their efforts to emerge from poverty and achieve economic and social development. China was a developing country, yet for 50 years it had provided technical assistance and assistance in kind to LDCs, resulting in more than 800 projects completed in various sectors, including agriculture, industry, health and education. More specifically, his Government had cancelled US$ 1.3 billion of the debt of 31 African LDCs, and reduced the matured debt of some Asian LDCs. During the current year it had launched negotiations on the duty-free treatment of some export commodities of African LDCs. With the development of its own economy, China would be able to make a greater contribution to the economic and social development of LDCs.

71. **Mr. Kaboré** (Inter-Parliamentary Union) noted that, while recent WTO decisions showed that the concerns of LDCs were being taken more seriously, there was still room for improvement. Debt relief remained an illusion. The HIPC Initiative had proved too slow and complex in its implementation, and some LDCs had reached the point where they could no longer cope with their long-term debt. The target for rich countries of 0.7 per cent of GDP to be channelled into ODA for poor countries had still not been reached, and the access of LDCs to export markets was severely restricted. The predominance of an informal economy in those countries was an additional obstacle to efficient mobilization of resources to fund programmes and policies to eradicate poverty. Accordingly, most LDCs would be unable to fulfil the Millennium Development Goals, which was a matter of great concern to the Inter-Parliamentary Union.

72. The Union had often taken up the question of mobilization of resources. In 2001 it had asked donor countries to meet the goal of 0.7 per cent ODA and to increase capital flows and private investment in developing countries. Poverty could be effectively eradicated only if citizens joined the decision-making process at all levels, within the framework of transparent government provided by strong parliamentary institutions.

73. Democracy depended on a true and equal partnership between the sexes. The Union therefore supported women's participation in the political process. They had a particular role to play in the budgetary process, given their role in many countries as educators and as the mainstay of the family. Their social and economic role must be taken into account when devising national strategies for poverty eradication.

74. Given the importance of trade to LDCs and developing countries in general, the Union had established a standing Parliamentary Conference on the WTO designed to increase transparency in the work of that organization and, in particular, to ensure that poor countries were equitably represented at the negotiating table. The Union was working to eliminate pricing disparities for cotton and other raw materials on the world market and to make generic drugs to fight HIV/AIDS more widely available in LDCs.

75. **Mr. Al-Yahya** (Saudi Arabia) noted that the precarious situation in LDCs was due to factors beyond

the countries' control: over-reliance on commodities; external shocks arising out of geographical location; price shocks and the impact of international markets; so-called "donor fatigue"; and slow progress in the area of debt relief. High priority must be given to maintaining and strengthening sound macroeconomic policies; domestic revenue generation must be strengthened; and tax and customs administration must be improved. Although access to formal savings and loan instruments and long-term sources of financing was still limited in many LDCs, experience indicated that effective microcredit instruments were very useful in bringing smaller enterprises into the formal sector. Remittances from nationals working abroad were of special interest and should be placed in productive assets such as small business development.

76. The responsibilities of the international community were great. Saudi Arabian aid to developing countries as a whole since 1973 had averaged nearly 4 per cent of the Kingdom's GDP, or nearly $80 million for the period. It was important to channel investment into effective infrastructure, which was essential to the efficient flow of goods and services. In addition, further steps could be taken to harmonize the actions of donors and to lessen the administrative burden on recipient countries. Well-targeted technical assistance could play a useful role, and foreign direct investment, including of the so-called "South-South" variety, could play a useful role in stimulating local economies.

77. Finally, with regard to the special problem of least developed countries emerging from conflict, there would be a tangible reduction in the risk of conflict if the economies concerned were to grow on a sustained basis. In LDCs, programmes of disarmament, demobilization and reintegration could play a positive role, although more needed to be done. The international community needed to focus greater attention on pre-conflict situations, instead of waiting for conflict to develop or to cease before becoming involved.

78. *Mr. Penjo (Bhutan) resumed the Chair.*

79. **Mr. Kim** Sam-hoon (Republic of Korea) said that the Republic of Korea was widely regarded as a quintessential example of a country that in a relatively short time had moved out of poverty to become an industrialized nation. Some of his country's experiences during its development process might be of value to LDCs.

80. In order to reap the benefits of international trade, LDCs had to increase their efforts to diversify their export base and enhance their production capacities. At the same time, the international community should create a more LDC-friendly multilateral trading system. In that regard the Republic of Korea had, since 2000, provided duty-free market access for numerous items originating from LDCs and, since 1997, been hosting training courses on international trading practices and regulations.

81. LDCs needed to improve their tax administration systems and encourage their citizens to increase savings in the domestic banking sector. Strengthening good governance, promoting wider participation by the general public in the development process and human capacity-building were essential to building an enabling environment for poverty eradication.

82. Sustainable development in LDCs depended on adequate and stable domestic and external financial resources. The two pillars of international cooperation — ODA and debt relief — were critical. His country's ODA had been spent primarily on humanitarian needs, as many of the most urgent problems faced by LDCs were related to survival. In fact, his country had increased its ODA to LDCs from $19 million in 2001 to $55 million in 2002, and planned to increase it further. In addition, the Republic of Korea had invited over 3,500 trainees in different fields from LDCs, and sent 305 experts, medical doctors and Taikwondo instructors to such countries. It had also contributed $10 million to the HIPC Trust Fund in 2003.

83. **Mr. Dauth** (Australia) emphasized the role of strong institutional capacity in creating an enabling domestic environment and the importance of international trade for resource mobilization. Developed countries had a responsibility towards the least developed countries to promote equitable growth through greater trade liberalization and investment, including between those countries and other developing countries. The least developed countries in turn required stability, good governance and the rule of law to ensure that domestic resources were used to provide essential services and infrastructure. Experience had shown that sustainable reductions in poverty had been achieved through openness to trade

and investment, country-driven development strategies and sustained investment in human capital.

84. Australia placed great emphasis on the role of good governance, as poor governance undermined development and made countries more vulnerable to transnational crime and domestic corruption. Its importance had been demonstrated by events in the Solomon Islands, where Australia and its regional neighbours had taken a practical approach to the problems of weak government structures, failing public services, corruption and lawlessness. It had focused on the return of law and order and the stabilization of government finances to enable basic service delivery, which would be followed by more comprehensive reforms of the machinery of government, economic and financial management and the administration of law and justice.

85. In recognizing the particular needs of least developed countries, Australia provided duty- and quota-free market access without conditions for all goods from least developed countries, and it encouraged other countries, both developed and developing, to consider such arrangements. A successful conclusion to the current Doha Development Round would also help to promote growth and development and alleviate poverty. His delegation welcomed the renewed focus on the importance of implementing the Brussels Programme of Action.

86. **Mr. Al-Shamsi** (United Arab Emirates) said that the report of the Secretary-General recognized that it was unlikely that the goals of the Brussels Programme of Action would be achieved on time, and recognized that the consequences of delaying their implementation would be a further worsening of conditions and continued armed conflict in the least developed countries. His delegation therefore called on the donor countries to meet their development assistance commitments and the recipient countries to exert the maximum effort to fulfil their pledges to reform and strengthen their economic and social institutions, creating an enabling environment for development.

87. His country's national development policy was aimed at developing human capital while using oil revenue to build infrastructure in the industrial and agricultural sectors in order to avoid total dependence on oil income. Economic diversification and liberalization, strengthening of the private sector, promoting investment in manufacturing, emphasizing human development and protecting the environment were the elements on which his Government had based its strategy for creating an enabling environment for development. It had adopted an external development policy based on bilateral, regional and international cooperation and trade partnerships to assist the least developed countries with their development programmes and to help in the reconstruction of countries emerging from armed conflict. It had opened its labour market to migrant workers, who accounted for 82 per cent of the country's work force, and contributed to development through remittances to their home countries.

88. His delegation hoped that the discussions at the high-level segment would succeed in revitalizing the pledges made by the international community within the context of the Brussels Programme of Action.

89. **Mr. Hachani** (Tunisia) said that, despite the major scientific advances over recent decades, much of humanity still struggled daily to meet its basic needs for food, shelter, education and health care. Developing countries, including the least developed countries, were indeed responsible for their own development and for sound domestic policy, but their efforts alone would not be sufficient. Since the Brussels Conference, many developing countries had made progress towards the goals of the Programme of Action. Although sacrifices had been required, they had pressed forward in their determination to create an enabling environment for integration into the world economy. The Secretary-General's report (E/2004/54) had proposed measures to be taken both by the least developed countries and their partners to reverse the trend towards marginalization. He called on donor countries to respect their commitment to the target of 0.7 per cent of GDP for ODA and expressed appreciation to those Governments which had met and even exceeded it. New methods for resource mobilization, based on cooperation, solidarity and mutual assistance, must be found in order to strengthen conditions for security, stability and development.

90. The Tunisian National Solidarity Fund had been the inspiration for the World Solidarity Fund, established by the General Assembly to eradicate poverty and promote social and human development in developing countries. The National Solidarity Fund had produced a significant reduction in the poverty rate in Tunisia, mainly through microprojects financed

through a variety of sources. He called on the entire international community to pool its resources through the World Solidarity Fund and welcomed the establishment of the high-level committee of eminent persons who would manage the Fund and mobilize resources.

91. Modern information and communications technologies must be used to stimulate the economic and social development of the developing countries, including the least developed countries, and in that context the forthcoming second phase of the World Summit on the Information Society, to take place in Tunis, took on even greater importance. The Summit should strengthen international and regional cooperation to reduce inequalities between rich countries and developing countries in acquiring advanced digital technology.

92. The Millennium Summit, the Brussels Conference on the Least Developed Countries and the Monterrey and Johannesburg Conferences had produced promising and realistic initiatives that would lead the developing countries back to the path of progress.

93. **Mr. Bennouna** (Observer for Morocco) said that his country, which was committed to South-South cooperation in the context of NEPAD, fully supported the efforts of the least developed countries to eradicate poverty. The King of Morocco had recently visited five sub-Saharan African countries with a view to promoting economic, trade, technical and cultural cooperation with those countries by means of practical development projects. In that context, document E/2004/52 contained the Rabat Declaration adopted by the Extraordinary Ministerial Conference of the Least Developed Countries, held in Rabat on 24 and 25 June 2003.

94. Although some progress had been made in the least developed countries, the poverty exemplified by the fact that half their populations lived on less than US$ 1 a day prevented them from mobilizing the resources required for their ambitious economic and political reform programmes. Moreover, the international environment was not always favourable to the least developed countries' development: the prices of the commodities on which over 31 countries depended for their export revenue continued to fall, while various forms of protectionism persisted in the developed country markets. Morocco had therefore decided to guarantee free access to exports from the least developed African countries. He appealed to all developed countries — and other developing countries — to do likewise and to refrain from setting export quotas or adopting non-tariff protection measures.

95. Another crucial factor for the least developed countries was ODA. The developed countries should respect their commitments, in accordance with the Brussels Programme of Action and other statements. The ODA target of 0.15 per cent of GNP should be achieved by 2006.

96. The burden of debt weighed heavily on the least developed countries, absorbing their resources and hindering the financing of economic development programmes. Moreover, many were falling ever deeper into debt. The international community should take urgent action to speed up implementation of the HIPC Initiative. In that context, he noted that Morocco had decided to cancel the debts owed to it by a certain number of less developed African countries. Another issue that remained to be resolved was the obstacles faced by expatriate workers in transferring resources to their own countries. Although such transfers formed the principal source of hard currency for some poor countries and were used to combat poverty and provide health and education services, no decision had yet been reached on reducing the cost of transactions. The United Nations should encourage all the parties concerned to work to remove existing obstacles.

97. Lastly, the international community should recognize that globalization had failed to take account of the interests of the least developed countries. That situation must change, not only in order that they might combat hunger, poverty, disease and the violence that often ensued, but also because there could be no security throughout the world without development or respect for human dignity. That must be the challenge of a changing world.

98. **Ms. Glendon** (Observer for the Holy See) noted with concern that economic growth rates in the least developed countries had fallen below the levels needed to make inroads into poverty reduction; investment flows had not increased significantly; and ODA had been inadequate. Moreover, many of the least developed countries were in a post-conflict situation. Such difficulties should, however, be regarded as a spur to more intense efforts by the development

partners. An internationally agreed approach, as exemplified by the Brussels Programme of Action, had the potential to unlock the door leading out of the prison of poverty. The key to that door could not, however, be turned by one party alone. The developed countries should take the lead both in showing greater solidarity and in abandoning their group interests for the common good. The question was how best to achieve that aim and how commitments already made could be revitalized.

99. Financial support must be channelled into well-prepared productive investments that provided clear benefits to the communities for which they were intended. Local capacity must also be built up to implement such investments, and transparency and accountability procedures should be put in place. Meanwhile, the international community should work towards a fair distribution of profits.

100. Any measure to promote lasting development must protect human dignity and culture. While it was widely understood that natural environments were at risk, less attention had been paid to the growing crisis in humanity's fragile social environment. Families had been devastated by the HIV/AIDS pandemic and by rapid social and economic change. Development policies must therefore be attentive to their impact on endangered social environments.

101. The least developed countries were rich in human potential. The realization of that potential required that careful attention should be paid to the situation of women and girls; their full and equal access to education and health, as well as to civil, political, economic, social and cultural rights, must be assured. The experience and resources offered by faith-based initiatives should be fully utilized to that end.

102. The chief obstacle to victory over hunger and poverty was the lack of political will, which in turn was due to a certain poverty of imagination among the more fortunate peoples of the world, a failure of empathy and an inability to recognize the interdependence of all human beings. The Holy See reaffirmed its historic commitment to providing education, health care and other basic services to the poor and its corresponding mission to open the hearts of the privileged.

103. **Mr. Tidjani-Serpos** (Assistant Director-General for Africa, United Nations Educational, Scientific and Cultural Organization (UNESCO)) said that one of the main constraints facing the least developed countries in their efforts to avoid marginalization was their size: most were small countries with small markets. The situation called for regional integration through such organizations as the African Union to allow those countries to compete in international markets. As an example of cooperation at the subregional level, some countries in Africa had pooled their educational resources to provide a consistent standard of primary education throughout all the countries in the subregion.

104. Another major obstacle was the fact that many least developed countries were in post-conflict situations. They were attempting to recover from loss of life, degradation of their cultural and physical resources, severe damage to their infrastructure, loss of biodiversity and the spread of AIDS and other endemic diseases. Under such conditions, they would find it almost impossible to implement the Brussels Programme of Action.

105. In order to respond to that situation, it was first necessary to mobilize the people to take their destiny into their own hands. They must then proceed to form partnerships in civil society and across national and regional borders to help each other carry their burdens.

106. **Mr. Waki** (United Nations Population Fund) said that only by mobilizing resources, both international and domestic, would the international community live up to the goals, set out in the Millennium Declaration, of ensuring poverty reduction in the least developed countries. The world had reached a critical juncture and 2005 might prove to be a turning point for development. The United Nations Population Fund (UNFPA) was committed to such development. Its limited resources heavily prioritized the least developed countries and it worked with the United Nations Development Group to enhance the effectiveness of the two organizations' collective efforts through improved analysis, more strategic programming and harmonized procedures to reduce the burden on national partners. Sharper focus, greater organizational competence and accountability were crucial.

107. Action must be taken to deal with the challenges posed by civil conflict and population displacement, as well as international migration, with the resulting acute shortage of skilled health workers. Attention must also be focused on the question of rapid population growth: with growth rates eight times higher than those in

industrial nations, the population of the least developed countries was expected to increase by 220 million by 2015. The result would be environmental degradation and reduced cropland per person.

108. In the least developed countries, half the population was under 18, which represented an important opportunity for growth and transformation, if massive investments were made in education, health care and training. On the other hand, there was also a possibility of social unrest and conflict, if the international community remained passive or was limited in its response.

109. Another factor was the devastation caused by HIV/AIDS. The poorest countries could not fight the disease alone, although their leadership and commitment were critical. The maternal health and family planning clinics established over the past four decades were of particular importance in that regard.

110. The UNFPA Global Survey for 2004 showed that the vast majority of countries had put in place a policy and legal framework for population and development, reproductive health and gender equality, so progress was being made. The policies and the general consensus existed; but the international community was far from realizing its aspirations. The challenge was to build on the solid foundation that had been established.

111. **Mr. Harcharik** (Food and Agriculture Organization of the United Nations (FAO)) said that pervasive extreme poverty and rising levels of hunger were impeding the growth of least developed countries and leaving them vulnerable to conflicts. They should invest in agriculture in order to unlock their development potential. Reducing the incidence of hunger and malnutrition was fundamental to economic growth and poverty reduction. It required the improvement of rural livelihoods, especially by increasing the productivity of small farms, and broadening access to food for those who could not produce or buy it. Measures to reduce hunger could be an important precursor to higher economic growth and increased output. Research had shown that better performance in agriculture, especially by small farms, resulted in poverty-reducing growth. That finding was of particular relevance to least developed countries, since better economic performance in the late 1990s in sectors other than agriculture had not translated into a decline in the incidence of extreme poverty and hunger. It had been productivity increases in agriculture, which in turn had generated increased production, income, savings, investments and demand for goods and services, that had created the necessary conditions for development.

112. Yet domestic and external resources for agriculture had not matched its importance in poverty and hunger eradication. Domestic spending on agriculture in least developed countries had not reflected agriculture's share of GDP, the labour force or per capita incomes. That meant that external resources were the main catalyst for investing in agriculture, yet external investment in agriculture had been declining. On the domestic side, African heads of State and Government had pledged a year ago to allocate, within five years, at least 10 per cent of national budgetary resources to the implementation of the NEPAD Comprehensive Africa Agricultural Development Programme. Also, internationally, World Bank lending to agriculture had begun to increase. National development, poverty reduction and aid strategies needed to assign much higher priority to the reduction of chronic hunger and to productivity improvement in the small-scale farming sector. The allocation of both domestic and external resources would need to reflect that priority. International advocacy to encourage action was also required. Ultimately, the long-standing promise of development for the world's poorest countries had to be honoured, and that promise could best be met by feeding the hungry and by helping them to feed themselves through investment in agriculture.

113. **Mr. Vincent** (World Food Programme (WFP)) said that life for hungry people was likely to be particularly difficult in 2004. International food prices had continued to climb and some analysts predicted a 9 per cent increase in grain prices — which were already at their highest level in five years — in 2004. A donation to WFP would therefore buy less food than in the past and, at the same time, stocks in the major food-exporting countries had shrunk, so that any surpluses that might have been available as food aid had been dramatically reduced. Rapid price fluctuations could send whole communities into crisis. Moreover, fuel and ocean freight rates had risen even more sharply than food prices.

114. Nearly all the G-8 countries — traditionally the biggest food aid donors — were running budget deficits. Moreover, WFP and other large providers of

food received more contributions in United States dollars than in any other currency, but the dollar's value had declined. Those difficulties were compounded by the fact that the volume of food aid had dropped by one third since 1999. It was at its lowest level since the start of international food aid programmes.

115. While a new trade agreement on agriculture resulting from the Doha Round was likely to be good news in the long term, people in poor countries that relied on food imports were likely to suffer initially, since food prices were likely to increase as subsidies were lifted. Trade liberalization in agriculture was no panacea for the poorest of the poor.

116. The WFP and other organizations worked hard to target those who needed food most. For those who were always hungry, food aid could help them apply their energy to productive activities that would contribute to economic growth rather than burdening it. Yet there was a risk that international negotiations on agricultural trade would treat donations of food aid as surplus disposal and seek to abolish them. Were that to happen, the poorest and most hungry would have lost one of their few chances of a better future.

117. It was imperative to reduce the number of children and mothers who died needlessly. Almost 11 million children under five died every year from preventable diseases and malnutrition contributed to 60 per cent of those deaths. Moreover, 300 women died in childbirth every day because they suffered from anaemia, a condition affecting more than half of all pregnant women in developing countries but preventable if food was fortified with iron. Over 100 million children did not go to school because their parents were too poor to send them. The provision of meals in schools could reverse that situation: in some cases, enrolment had tripled once school meals were provided.

118. Even HIV/AIDS had a worse impact when people were hungry: it caused hunger and hunger fanned the fire of HIV by forcing hungry people to migrate to cities or engage in prostitution. At the same time, people who were HIV-positive had greater nutritional needs.

119. Work on all the Millennium Development Goals must focus on the poorest countries, and on Africa in particular. Unfortunately, most development aid was still focused on the better-off countries: only 26 per cent of ODA had been directed to the least developed countries in 2002. It was no accident that WFP had invested double that proportion of its resources in the least developed countries in 2002 and even more — 71 per cent — in 2003. The least developed countries needed special attention from the international community.

120. **Mr. Barnes** (International Federation of Red Cross and Red Crescent Societies) endorsed calls for the building of an enabling environment that must include the engagement of local communities and the use of local resources. It was difficult to envisage a successful campaign to eliminate poverty within a culture of intolerance and discrimination, and more attention needed to be paid to the affirmation of shared ethical values. A community-focused approach to development should enhance the role of volunteerism and reduce institutional or legislative barriers to volunteer activities. An enabling environment was one in which the barriers to the immediate delivery of disaster relief were eliminated and where risk reduction programmes were fostered. That was why his organization focused on the capacity-building of its national societies in the least developed countries. It was also why it was promoting the International Disaster Response Law Project. An enabling environment was one which seriously addressed public health issues, particularly HIV/AIDS. The enhancement and utilization of local capacities to address the special problems of stigma and treatment were essential to success in that area. His organization had been effective in mobilizing public support for disaster relief, but had fallen short in its desire to extend the effort from simple relief to significant risk reduction and sustainable development. It was prepared to work in partnership with the international community and to contribute its humanitarian resources, expertise, networks and money. His organization needed the support of the international community in fulfilling that essential humanitarian mission. The Millennium Development Goals were achievable, but not without the comprehensive and active participation of communities and the building of partnerships for development.

121. **Ms. Davies** (NGO Forum Coalition, NGO Civil Society Forum) presented the recommendations that had arisen from the meeting held by the organizations on whose behalf she was speaking on the theme of resource mobilization and enabling environment for

poverty eradication in the context of the implementation of the Programme of Action for the Least Developed Countries for the decade 2001-2010. In terms of fostering a people-centred policy framework, the meeting had recommended that the efforts of civil society organizations to establish or expand participatory decision-making processes should be increased through long-term capacity-building in education and skills training, particularly at the grassroots level. It had also recommended that cross-sector partnerships should be promoted between public, private and civil society organizations aimed at a comprehensive approach to poverty reduction and sustainable development in line with Millennium Development Goal 8, and that demilitarization should be promoted and budgetary resources reallocated to human development.

122. On the question of good governance at national and international levels, the meeting had recommended that transparency and accountability should be increased at all levels of government — international, national and local — and that a right-based approach should be adopted towards development whereby basic needs, such as water, food, education, health and shelter were considered public rights and were affordable by all citizens. Concerning the building of human and institutional capacities, the meeting had recommended participation by women in decision-making processes that affected their lives and development through their empowerment and gender equality, ensuring education for all, particularly at the primary level, and enhancing the inclusion of the girl-child in education, as well as improving access to the formal labour market through job-oriented training. There should be greater commitment by developed countries to contributing resources on an emergency basis to control the spread of HIV/AIDS and other infectious diseases, and to facilitate the establishment and development of information and communication technology in the least developed countries to enable poor people to participate in international markets.

123. The meeting had recommended that production capacities should be built up in order to make globalization work for the least developed countries. Official development assistance to those countries had to be increased so that all partners reached the target of 0.7 per cent of GDP. Land reforms had to be implemented in order to provide poor people access to land and to address women's claims to land rights as individuals. Trade barriers to goods from the least developed countries and agricultural subsidies to farmers in the developed countries had to be removed, and corporate responsibility on the part of multinational companies that invested in developing countries had to be encouraged. High priority should be given to the provision of clean water, improved water management and sanitation. Environmental protection in accordance with sustainable development principles had to be encouraged through the enforcement of national and international legislation and stronger implementation measures and fines. Legislation containing a "polluter pays" clause had to be adopted.

124. Finally, the meeting had recommended the cancellation of the external debt of least developed countries, so that income could be redirected to meeting the health, education and basic needs of the poorest citizens. Also, foreign direct investment which facilitated the development of sustainable infrastructure had to be encouraged.

125. **Ms. El Mamy** (Association mauritanienne pour le bien-être et le secours de l'enfant et de la mère) made a statement on behalf of the NGO and civil society organizations of French-speaking least developed countries, which had held a workshop at Nouakchott, Mauritania, in April 2004 on resource mobilization and enabling environment conducive to poverty eradication. The meeting had recommended the development of internal human and natural resources by preparing an inventory of those resources and potentials and ensuring their rational management and optimal use with a view to developing and implementing integrated development programmes. The meeting had also recommended on-site processing and development of local products, giving priority in resource allocation to socio-economic growth sectors, better protecting, conserving and restoring the environment and natural resources, promoting networking, developing human resources by improving living conditions and promoting greater use of local expertise, especially young people and women, facilitating the access of handicapped persons and including them in the development process, strengthening the capacities of non-governmental organizations and making them fully integrated actors in good governance and development, and promoting the development of small businesses and their access to microcredit.

126. As for the mobilization of external resources, the meeting had demanded debt cancellation for poor countries and the launching of a Marshall Plan to benefit the sustainable development of the least developed countries, simplified procedures with a view to increasing the capacity to utilize available financing, facilitation of unconditional access by least developed countries to international trade and making better use of information and communications technologies.

127. The meeting had recommended that good governance in the service of development and peace should be ensured at local, national and international levels, that a legal and institutional framework should be created which would be suitable for the participation of NGOs, that subregional and regional cooperation and integration should be developed for developing countries and that civil society partnership with the United Nations system, governments and other bilateral and multilateral cooperation organizations should be strengthened.

128. **Mr. Arkle** (NGO Forum Coalition) presented a broad overview of the recommendations made at the NGO civil society workshop, held in February 2004, at Kelowna, Canada. The forum of more than 50 Canadian NGOs had identified a number of crucial issues to be addressed in the least developed countries and had presented recommendations and proposals for partnership with the United Nations in the framework of the informal regional network. The meeting had recommended that each least developed country should define a clear vision for its future based on an efficient use of its resources. Structural integrity, accountability in leadership and opportunities for nationals had to be encouraged. A consensus on that vision and strategy had to be reached following a participatory process. All social, economic and political stakeholders should participate in the process of integrated development within participatory governance at all levels. Emphasis had to be given to a realistic and feasible comprehensive and integrated approach to poverty alleviation and sustainable development, paying attention to land reform, agricultural technology, market access and trade policies. Aid commitments had to be fulfilled and distributed effectively. Just monetary policies had to be promoted and support given to efforts towards forgiveness of debt.

129. International institutions and the Canadian Government had to be encouraged always to prioritize integrated and comprehensive development programmes as a major tool to alleviate poverty in the least developed countries. Universal education utilizing a relevant curriculum had to be promoted through increased funding, resources and training, with encouragement being given to promoting the education of women. Education was to be expanded to include life skills and sustainable development. It was necessary to create networks among Canadian NGOs in order to facilitate those objectives. The prevention and resolution of conflicts had to be prioritized and citizens educated about consultation and consensus to promote confidence in peaceful conflict resolution. Finally, access to drugs and responding to the special needs of affected children had to be encouraged in order to address the HIV/AIDS pandemic, and NGOs must participate in promoting best management practices for HIV/AIDS prevention and treatment.

The meeting rose at 7.30 p.m.